

Medical Board of California Order of Adoption

The Medical Board of California hereby adopts regulations by adding Article 3.1, commencing with Section 1313.01, Chapter 1, Division 13, of Title 16, California Code of Regulations, to read as follows:

1313.01. Definitions.

For purposes of this article:

- (a) "Code" means the Business and Professions Code.
- (b) "Division" means the Division of Licensing or any committee of the division to which it delegates authority to make decisions pertaining to the Physician Corps Loan Repayment Program.
- (c) "Employment" means the contractual work relationship between the practice setting and the physician.
- (d) "Full-time status" or "full-time practice" means providing medical services for a minimum of 40 hours per week, for a minimum of 45 weeks per year. The 40 hours per week may be compressed into no less than four days per week, with no more than 12 hours of work in any 24-hour period. This does not include hours spent on call. At least 32 hours per week must be spent providing clinical services at the approved practice site(s) during normal office hours, except that, for physicians who are continuously engaged in the practice of obstetrics, at least 21 hours must be spent providing clinical services in addition to deliveries and other inpatient coverage. Absence from the practice cannot exceed 7 weeks in a calendar year except as otherwise required in order to comply with applicable federal and state laws.
- (e) "Lender" means an entity from which an applicant has obtained a loan as defined in section 1313.01(f).
- (f) "Loan" means an outstanding government or commercial educational loan for expenses incurred for undergraduate education and graduate medical education.
- (g) "Program" means the California Physician Corps Loan Repayment Program described in Article 7.7 of Chapter 5 of Division 2 (commencing with Section 2154) of the code.
- (h) "Recently obtained a license" means the physician was first issued an allopathic physician's license in any state of the United States or in Canada within 15 years from the date on which the application for loan repayment is filed.

NOTE: Authority cited: Sections 2018 and 2154.7, Business and Professions Code. Reference: Section 2154.3, Business and Professions Code.

1313.02. Guidelines for Selection of Applicants.

- (a) The division shall give each applicant who meets one of the threshold criteria listed in

Section 2154.3(b)(1) of the code one point for each of those criteria that the applicant meets and one point for each of the following criteria that the applicant meets (except that it shall give an applicant two points for speaking a Medi-Cal threshold language and two points for having received significant training in culturally and linguistically appropriate service delivery):

- (1) Speaks more than one Medi-Cal threshold language, as defined in Section 2154.2(h) of the code (one point for each additional language that is spoken by the population served by the clinic(s) at which the applicant will be providing services).
 - (2) Has experience in a medically related health field in a medically underserved area (one point for each year).
 - (3) Is not participating in any other educational loan repayment program at the time of application.
 - (4) Is board-certified in a specialty.
 - (5) Is board-certified in a primary care specialty identified in Section 2154.2(g) of the code.
 - (6) Graduated from a medical school where the primary language of instruction was in a Medi-Cal threshold language, as defined in Section 2154.2(h) of the code, that is spoken by the population served by the clinic(s) at which the applicant will be providing services.
 - (7) Completed a medical exchange program during medical school or postgraduate training in which the applicant provided services to a population that speaks any Medi-Cal threshold language, as defined in Section 2154.2(h) of the code.
 - (8) Completed a fellowship in culturally appropriate service delivery.
 - (9) Completed a fellowship in one of the primary specialties identified in Section 2154.2(g) of the code.
 - (10) Will be providing medical services at multiple practice settings, each of which meets the criteria contained in Section 2154.2(f) of the code.
- (b) The number of points that an applicant receives shall not be the determinative factor in selecting physicians to participate in the program. The division shall consider providing priority consideration to applicants who, in its sole discretion, are best suited to meet the cultural and linguistic needs and demands of patients from medically underserved populations dispersed throughout California.

NOTE: Authority cited: Sections 2018 and 2154.7, Business and Professions Code.

Reference: Section 2154.3, Business and Professions Code.

1313.03. Application; Process.

(a) A physician who desires to participate in the program shall submit an application to the division on a form prescribed by the division that includes all of the following:

- (1) Applicant's name, address, telephone numbers, social security number, date of birth, date on which first medical license was issued and name of issuing body, and, if available, e-mail address.
- (2) Which of the criteria listed in Section 2154.3(b)(1) of the code or in section 1313.02 the

applicant meets and why, including dates of and institutions where postgraduate training or fellowships occurred.

(3) A statement as to why the physician wants to participate in the program.

(4) The name of each lender from which the applicant has obtained an educational loan, together with a current loan statement that contains the lender's name and mailing address, the applicant's name and loan account number, the outstanding balance of the loan, and the date on which the loan statement was issued.

(5) Whether the applicant has ever been in default or had a judgment lien against the applicant for any debt, and an explanation for each default or judgment lien.

(6) Whether the applicant is willing to sign or has signed a written agreement with the practice setting(s) committing to three years of full-time service in a medically underserved area.

(7) The name and address of each practice setting at which services are to be provided under the program.

(8) A certification under penalty of perjury as to the contents of the application and any attachments, signed and dated by the applicant.

(9) A statement authorizing release to the division of information enumerated in the application and any attachments thereto.

(10) A certification under penalty of perjury, signed and dated by the practice setting's administrative officer, whose name is printed below his/her signature, that the facility has entered into an agreement with the applicant for a minimum of three years; that the applicant can speak a Medi-Cal threshold language; that it will pay the applicant a prevailing wage and not offset any loan repayments by the program against the applicant's salary; and that it is a "practice setting" as defined in Section 2154.2(f) of the code.

(b) Application filing periods will be dependent upon available funding and the number of openings in the program. Every application filing period shall be posted on the board's Web site and shall close not earlier than 30 days after the date on which openings are first posted on the board's Web site. Notwithstanding section 1313.04(a), an application that is either not complete or not received by the final filing date shall not be considered but shall be returned to the applicant.

(c) A participating physician shall sign a written agreement with the division committing to all terms of the program and acknowledging that loan repayment will be made in accordance with Section 2154.5. If (1) a participating physician ceases full-time practice; or (2) both the practice setting and the physician have agreed to termination of the physician's employment, and the physician has been successful in obtaining subsequent qualifying employment within 3 months after termination of employment, loan repayment will be reduced proportionately by the time spent away from qualifying practice during that contract year.

(d) If a physician participating in the program receives a loan repayment of less than \$105,000, 24 percent of the loan repayment amount will be made at the end of the first year, 33 percent at the end of the second year, and 43 percent at the end of the third year.

NOTE: Authority cited: Sections 2018 and 2154.7, Business and Professions Code.

Reference: Sections 2154.3, 2154.5, and 2154.7, Business and Professions Code.

1313.04. Application Processing Times.

(a) Within 15 working days of receipt of an application to participate in the program, the division shall inform the applicant in writing whether the application is complete and accepted for filing or is deficient and what specific information is required.

(b) Within 120 working days from the date of filing of a completed application, the division shall inform the applicant in writing of its decision on the application.

NOTE: Authority cited: Sections 2018 and 2154.7, Business and Professions Code. Section 15376, Government Code. Reference: Sections 2005, 2154.3 and 2154.7, Business and Professions Code; and Section 15376, Government Code.

1313.05. Process and Penalties When Physician is Unable to Complete Obligation; Notification to Division.

(a) A physician participating in the program shall notify the division in writing within 15 working days of any change in the physician's full-time status, including but not limited to, a decrease in the number of hours providing medical services, termination, resignation, or leave of absence in excess of the time permitted in section 1313.01(d).

(b) A physician participating in the program who is unable to complete the required three years of service shall pay to the Medical Board of California, within 365 calendar days after notification by the division, an amount equal to the total amount of loan repayment paid to the physician by the program. Whenever the division has evidence that the physician is unable to complete the required three years of service, it shall notify the participating physician of the amount to be repaid to the division and the date by which the physician shall make that repayment.

(c) A physician or the physician's representative may petition the division for modification of the amount to be paid or repaid and/or the time for repayment. The petition shall be in writing, accompanied by those documents necessary to establish the basis for the petition, and shall be filed with the division not later than 90 working days after the date of the notification. A petition shall be accepted for filing only if it is based on one or more of the following grounds:

(1) The physician was terminated without cause.

(2) The physician was unable to complete the required three years of service due to factors beyond the physician's control.

(3) Both the practice setting and the physician have agreed to the termination of the physician's employment, and the physician has been unsuccessful in obtaining subsequent qualifying employment within 3 months after termination of employment.

(d) The division shall review the petition and supporting documents and shall notify the

physician in writing of its decision within 60 working days after receipt of the complete petition.

(e) Failure to repay the amount due within 365 calendar days as required in subsection (a) above shall constitute unprofessional conduct and is not subject to Section 2314 of the code. It shall also result in the accrual of interest, at prime, on the outstanding balance, reporting of the default to credit agencies, lien(s) on the physician's personal property, and garnishment of the physician's future wages. It may also result in civil damages, including the imposition of attorney fees.

NOTE: Authority cited: Sections 2018 and 2154.7, Business and Professions Code.

Reference: Section 2154.3, Business and Professions Code.

1313.06. Process for Reinstatement into the Program.

(a) A physician who leaves the program may petition the division for reinstatement into the program. The petition shall be in writing, accompanied by those documents necessary to establish the basis for the petition, and shall be filed with the division not later than 365 calendar days after the date of the notification from the division described in section 1313.05(b). The petition shall explain why the factors contributing to the petitioner's inability to complete the prior obligation no longer exist. The petition shall be accompanied by a certification under penalty of perjury, signed and dated by the practice setting's administrative officer, whose name is printed below his/her signature, that the facility has entered into an agreement with the physician for a minimum of three years; that the physician can speak a Medi-Cal threshold language; that it will pay the physician a prevailing wage and not offset any loan repayments by the program against the physician's salary; and that it is a "practice setting" as defined in Section 2154.2(f) of the code. A petition shall be accepted for filing only if it is based on one or more of the following grounds:

- (1) The physician was terminated without cause.
- (2) The physician was unable to complete the required three years of service due to factors beyond the physician's control.
- (3) Both the practice setting and the physician agreed to the termination of the physician's employment.

(b) The division shall review the petition and supporting documents and shall notify the petitioner in writing of its decision within 60 working days after receipt of a complete petition. The division shall decide the petition based upon, in its sole discretion, available funds and the cultural and linguistic needs, and demands of the underserved populations, and the petitioner's ability to comply with the terms of the program.

NOTE: Authority cited: Sections 2018 and 2154.7, Business and Professions Code.

Reference: Sections 2154.3, Business and Professions Code.

Dated: _____

Signed: _____

Ron Joseph,
Executive Director
Medical Board of California